

defers the payments and forgives the interest on these loans for 2 years.

Second, for those small businesses suffering indirect damage, this legislation modifies the 7(a) or General Business guarantee loan program of the SBA. These are small businesses not physically damaged or destroyed or in the vicinity of such businesses, but affected because they are a supplier, service provider or complementary industry to any affected industry, especially the financial, hospitality, travel and tourism industries, or are dependent upon the business of a closed or suspended business or sector. These businesses would be eligible for 7(a) Guaranteed Business Loans, under more unfavorable terms, including a reduced interest rate, elimination of the upfront borrower fee, a reduction of the lender's annual guarantee fee by half, and an increase in the government's guarantee percentage to 90 percent. This temporary change to the 7(a) program would sunset one year after enactment.

In the third category of assistance, this bill contains a general economic stimulus for those small businesses in need of capital and investment financing, procurement assistance, or management counseling in the economic aftermath of September 11. There are incentives for small businesses and lenders to use the 7(a) program, the 504 Certified Development Company guarantee loan program, which is used for plant construction and expansion and equipment acquisition, and the Small Business Investment Company (SBIC) program.

As an economic stimulus, the bill reduces by half the upfront 7(a) guarantee fee paid by the borrower; reduces the lender's annual guarantee fee from 0.5 to 0.25 percent for the life of the loan; establishes a government guarantee percentage of 85 percent on all such loans (regardless of size); and gives the SBA Administrator the authority to waive or increase a size standard. In addition, the bill eliminates the upfront 504 loan program guarantee fee of 0.5 percent paid by the borrower and reduces by half the borrower's annual guarantee fee for the life of the loan. These changes to the 7(a) and the 504 program would expire one year after enactment. The bill also raises the authorized program level of the SBIC program, the SBA's venture capital initiative, by \$900 million to meet anticipated demand as other private sector sources for venture capital dry up.

The legislation also establishes an expedited procedure whereby federal small business contractors can apply for an equitable adjustment to their contracts if costs have been incurred due to security or other measures resulting from the September 11 terrorist attacks. An adversely affected small business owner would first apply to the contracting officer for monetary relief. The contracting officer would work with the agency's Office of Small and Disadvantaged Business Utilization and the SBA to determine the amount of any monetary adjustment. A decision is required within 30 days. The provision establishes a \$100 million fund at the SBA to pay for these contract adjustments. The program would sunset, permitting small businesses 11 months after enactment to apply for the adjustment.

The bill also authorizes additional funds for various SBA management assistance pro-

grams to help small business successfully utilize the temporary changes to the SBA loan guarantee programs as outlined above. It increases funding for Small Business Development Centers (SBDCs) by \$25 million, of which \$2.5 million will be available for businesses in New York's disaster area and \$1.5 million for businesses in Virginia's disaster area. The funds would be used to provide free individualized assistance for small businesses adversely affected by the terrorist attacks. No matching state funds would be required.

The bill increase funding for the Women's Business Centers Program by \$2 million and also waives the non-Federal matching requirement. Funding for Microloan Technical Assistance is also increased by \$5 million for similar purposes. Lastly, the legislation increases funding for the Service Corps of Retired Executives (SCORE) by \$2 million to provide free advice from experienced businesspersons to struggling small business owners dealing with the aftermath of the events of September 11.

Finally, the SBA's Office of Advocacy is authorized in this bill to expend \$500,000 to study and report on small businesses adversely impacted by the attacks of September 11, and measure the effect of this legislation on small businesses.

This bipartisan bicameral legislation is endorsed and strongly supported by small business groups, including the U.S. Chamber of Commerce, National Small Business United, the Small Business Legislative Council, the National Association of Government Guaranteed Lenders (NAGGL), the National Association of Development Companies (NADCO), the Association of Women's Business Centers, the National Community Reinvestment Coalition, and the National Limousine Association.

Mr. Speaker, I invite my colleagues to join me in passing this emergency legislation so that we can get assistance to needy small business owners as soon as possible.

HONORING LAVERNE SCHWALM

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 6, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Laverne Schwalm for his service to our country as a member of the U.S. Merchant Marines. Mr. Schwalm passed away 1 year ago, on October 26, 2000.

Ensign Schwalm was born in Toledo, OH, and attended high school in Deerfield, MI. After high school he joined the U.S. Merchant Marines at the age of 17. He began his service in the Merchant Marines in 1944 and worked as a radio operator. He and his family first lived in California in 1947, when he was stationed in San Francisco. Laverne and his wife moved to Fresno when he left the Merchant Marines in 1949. After the Merchant Marines Laverne worked as a foreman at Pittsburgh Steel Company for 25 years.

Laverne and his wife Billie were married for 53 years. He is survived by his wife, 4 children, 10 grandchildren, and 11 great-grandchildren.

Mr. Speaker, I honor Laverne Schwalm for his service to our country. I urge my colleagues to join me in honoring Mr. Schwalm's accomplishments.

HONORING THE 41 YEARS OF SERVICE OF ANDE YAKSTIS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 6, 2001

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 41 years of service and the retirement of Ande Yakstis from the Alton Telegraph Newspaper in Alton, Illinois.

Ande Yakstis, award-winning reporter, retired on Friday, November 2, 2001 from the Alton Telegraph after a distinguished 41 year career at the historic newspaper. Ande has been described by his colleagues as a skilled veteran reporter as well as a community-minded journalist.

Throughout his 41 years, Ande witnessed many changes at the Alton Telegraph, ranging from different newspaper ownership to changing news philosophy, but Ande has always kept the importance of freedom of speech and community journalism in the forefront of his mind.

Ande started his career at the Telegraph in 1960 with the late publisher Paul S. Cousley and well-known editor Elmer Broz. Ande has previously described Cousley as a publisher with great integrity and respect. Cousley was credited with carrying on the tradition of Elijah P. Lovejoy, the abolitionist newspaper/publisher/editor. He had a great impact on Ande, teaching him about being a newspaper person, how to inform people about issues in government, reporting on school district affairs and coverage of the business community.

When Ande started as a cub reporter, Madison County was noted for illegal gambling and other related activities. He gained a reputation as an investigate reporter who exposed the racketeering empire of local mobster, Frank "Buster" Wortman. As a result of his stories exposing the gangsters, the Illinois Crime Investigation Commission teamed up with FBI and other law enforcement authorities to shut down organized crime operations in both Madison and St. Clair Counties.

Another highlight of his career came in 1969, when he and former Telegraph reporter Ed Pound began an investigation of an Illinois Supreme Court Justice who allegedly received a gift of stock after he set a defendant free in a crime. After the story appeared, an investigation of the Supreme Court was undertaken by both the Illinois and Chicago Bar Associations. Following the hearing, two justices of the Court resigned. Both Ande and Ed Pound were then nominated for a Pulitzer Prize for their stories on the Supreme Court investigation. They were also honored with the National Associated Press Managing Editors Award for the Supreme Court Expose.

In addition to these honors, Ande was awarded the Illinois Associated Press First Place award for news and feature writing 10 different times and twice was nominated for a